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**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Investigation Into the November 2016 Submission of San Diego Gas & Electric Company's Risk Assessment and Mitigation Phase.

Investigation 16-10-015  
(Filed October 27, 2016)

Order Instituting Investigation Into the November 2016 Submission of Southern California Gas Company's Risk Assessment and Mitigation Phase.

Investigation 16-10-016  
(Filed October 27, 2016)

**ASSIGNED COMMISSIONER'S SCOPING MEMORANDUM AND RULING**

**Summary**

Pursuant to Rule 7.3 of the Commission's Rules of Practice and Procedure,<sup>1</sup> this Scoping Memo and Ruling sets forth the procedural schedule, identifies the assigned Commissioner, identifies the issues to be considered in this proceeding, the need for hearings, and other procedural matters, following the Prehearing Conference (PHC) held on December 15, 2016.

**1. Background**

On October 27, 2016, the Commission opened an Order Instituting Investigation (OII) into the November 2016 submission of San Diego Gas &

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<sup>1</sup> All subsequent references to "Rule" or "Rules" are to the Commission's Rules of Practice and Procedure. The full text of the Commission's Rules may be found on the Commission's website at [www.cpuc.ca.gov](http://www.cpuc.ca.gov).

Electric Company's (SDG&E) Risk Assessment and Mitigation Phase (RAMP).<sup>2</sup> The Commission also opened an OII into the November 2016 submission of Southern California Gas Company's (SoCalGas) RAMP on October 27, 2016. The two OIIs were opened to allow the Commission to review the RAMP submissions of SDG&E and SoCalGas.

In Decision (D.) 14-12-025, the Commission adopted a risk-based decision-making framework into the Rate Case Plan for large energy utilities' General Rate Cases (GRCs). In D.16-08-018, the Commission adopted guidelines for what the RAMP submissions should include, as well as an evaluation method by which to evaluate the RAMP submissions. Under the procedures adopted in D.14-12-025 and D.16-08-018, SDG&E and SoCalGas are required to file their RAMP submissions into these OIIs which the Commission's Safety and Enforcement Division (SED) will review for consistency and compliance with the Safety Model Assessment Proceeding (S-MAP). Parties to the OIIs will be given an opportunity to comment on SDG&E's and SoCalGas' RAMP submissions as well as SED's report. The RAMP filing and comment process will then form the basis of SDG&E's and SoCalGas' assessment of their safety risks in their next respective GRC filings.

On November 17, 2016, the two OIIs were consolidated pursuant to a ruling from the assigned Administrative Law Judge (ALJ).

On November 30, 2016, SDG&E and SoCalGas filed their RAMP report.

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<sup>2</sup> SDG&E and SoCalGas sent separate letters to the Commission's Executive Director on September 1, 2016, requesting that these OIIs be initiated.

A joint PHC statement was filed by SDG&E and SoCalGas on December 9, 2016 while Mussey Grade Road Alliance filed its PHC statement on December 12, 2016.

On December 13, 2016, a workshop was held at the Commission Auditorium to discuss the RAMP report filed by SDG&E and SoCalGas.

On December 15, 2016, a PHC was held to determine parties, discuss the scope, schedule and other procedural matters.

## **2. Scope**

Based on the application, PHC statements and discussion during the PHC, the scope of issues to be addressed in these consolidated proceedings are as follows:

1. The completeness of the utilities' proposal and report including consistency and compliance with the S-MAP and D.16-08-018;
  - a. Whether or not key safety risks have been assessed;
  - b. Whether or not alternatives have been fully considered and adequately discussed;
  - c. Whether or not the hardening inspection and repair programs which constitute a large percentage of SDG&E's proposed wildfire mitigation spending have been adequately analyzed and discussed;
2. Whether or not there are gaps in identifying risks and mitigation options;
3. The efficiency of risk mitigation funding, proposed spending, and the amount or level of mitigation planned for SDG&E's and SoCalGas' next GRC cycle;
4. The alignment of proposed risk mitigation programs with stakeholder preferences;
5. Whether or not the utilities adequately incorporate RAMP results, including SED's input, into their respective GRC filings; and

6. Whether or not these two proceedings should be consolidated with SDG&E's and SoCalGas' GRC proceedings.

### **3. Schedule**

The following schedule is adopted, and may be revised by the assigned Commissioner or ALJ as required to promote the efficient and fair resolution of these proceedings:

<b>Event</b>	<b>Date</b>
SED files evaluation report	February 28, 2017
SED workshop regarding SED's report	March 15, 2017
Opening Comments on RAMP report and SED report <sup>3</sup>	April 10, 2017
Reply Comments	April 25, 2017
Additional Workshops (if necessary)	April and May, 2017
SDG&E and SoCalGas incorporate RAMP results into TY 2019 GRC filings	May to August, 2017
SDG&E and SoCalGas files respective TY2019 GRC applications and serve prepared testimony	September 1, 2017
Decision closing OILs	January 2018

In any event, we intend that these proceedings will be resolved no later than 18 months from the filing of the applications.

### **4. Categorization, Need for Hearings, and Workshops**

The OILs have been preliminarily categorized as ratesetting and hearings are not contemplated in these proceedings. There were no objections in the PHC

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<sup>3</sup> Parties shall include whether or not they believe that additional workshops are necessary and whether or not a status conference report or additional PHC is needed.

statements or during discussion at the PHC regarding the categorization and need for hearings. This ruling affirms the preliminary categorization as ratesetting and that hearings are not required.

A second workshop is included in the schedule although additional workshops may be needed. The schedule adopted includes a workshop to address SED's report and gives parties an opportunity to propose or recommend if additional workshops are necessary.

**5. *Ex Parte* Communications, Assigned Commissioner and Presiding Officer**

In ratesetting proceedings, *ex parte* rules as set forth in Rules 8.1- 8.5, and Pub. Util. Code § 1701.3(c) apply.

President Michael Picker shall be the assigned Commissioner to these proceedings and ALJ Rafael Lirag shall be the Presiding Officer.

**6. Intervenor Compensation**

Any party that expects to claim intervenor compensation for participation in these proceedings must have filed notice of intent to claim intervenor compensation within 30 days of the PHC held on December 15, 2016. (*See* Rule 17.1(a)(1).)

**7. Filing, Service and Service List**

Filing and service of comments and other documents in the proceeding are governed by the rules contained in Article 1 of the Commission's Rules of Practice and Procedure (see particularly Rules 1.5 through 1.10 and 1.13.). If you have questions about the Commission's filing and service procedures, you may contact the Docket Office.

The official service list for these proceedings is available on the Commission's web page. Parties should confirm that their information on the

service list is correct, and serve notice of any errors on the Commission's Process Office, the service list, and the assigned ALJ. Prior to serving any document, each party must ensure that it is using the most up-to-date service list. The list on the Commission's website meets that definition. Any person interested in participating in these proceedings who is unfamiliar with the Commission's procedures or who has questions about them should contact the Public Advisor's office in San Francisco, at (415) 703-2074 or (866) 849-8390, or e-mail [public.advisor@cpuc.ca.gov](mailto:public.advisor@cpuc.ca.gov). The TTY number is (866) 836-7825.

Addition to the official service list is governed by Rule 1.9(f) of the Commission's Rules of Practice and Procedure.

Upon request, any person will be added to the "Information Only" category of the official service list, and should do so promptly in order to ensure timely service of comments and other documents and correspondence in the proceedings. (*See* Rule 1.9(f).) The request must be sent to the Process Office by e-mail ([process\\_office@cpuc.ca.gov](mailto:process_office@cpuc.ca.gov)) or letter (Process Office, California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, California 94102). Please include the Docket Number of these proceedings in the request.

Persons who file responsive comments thereby become parties to the proceedings (*see* Rule 1.4(a)(2)) and will be added to the "Parties" category of the official service list upon such filing. In order to assure service of comments and other documents and correspondence in advance of obtaining party status, persons should promptly request addition to the "Information Only" category as described above; they will be removed from that category upon obtaining party status.

**IT IS ORDERED** that:

1. The scope, issues, and schedule are set forth in the body of this ruling, unless amended by a subsequent ruling or order by the assigned Commissioner or Administrative Law Judge.
2. The categorization for these proceedings shall be ratesetting. Hearings are not necessary.
3. *Ex Parte* rules as set forth in Rules 8.1- 8.5 of the Commission's Rules of Practice and Procedure, and Public Utilities Code Section 1701.3(c) apply.
4. Any party that expects to claim intervenor compensation for its participation in these proceedings must file its notice of intent to claim intervenor compensation by January 17, 2017.
5. Administrative Law Judge Rafael Lirag is designated as the Presiding Officer in these proceedings.
6. The assigned Commissioner or assigned Administrative Law Judge may revise the schedule, as required to promote the efficient and fair resolution of these proceedings.

This order is effective today.

Dated January 11, 2017, at San Francisco, California.

/s/ MICHAEL PICKER

Michael Picker  
Assigned Commissioner